



DEPARTMENT OF COMMERCE

International Trade Administration

[A-557-818]

Mattresses from Malaysia: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that imports of mattresses from Malaysia are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is January 1, 2019, through December 31, 2019.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Dennis McClure, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5973.

SUPPLEMENTARY INFORMATION:

Background

On November 3, 2020, Commerce published in the *Federal Register* the *Preliminary Determination* of sales at LTFV of mattresses from Malaysia and invited interested parties to comment.¹ Commerce established a deadline of November 24, 2020 for the submission of case briefs in response to the *Preliminary Determination*. No case briefs were submitted. As no parties filed comments and no facts have changed, we have made no changes to the *Preliminary Determination* in this final determination, and, therefore, there is no unpublished Issues and Decision Memorandum accompanying this notice.

¹ See *Mattresses from Malaysia: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 FR 69574-69575 (November 3, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

Scope of the Investigation

The products covered by this investigation are mattresses from Malaysia. For a full description of the scope of this investigation, *see* the “Scope of the Investigation,” in the Appendix to this notice.

Scope Comments

In Commerce’s Preliminary Scope Decision Memorandum, we set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope) in scope case briefs or other written comments on scope issues.² Certain interested parties commented on the scope of the investigation as it appeared in the Preliminary Scope Decision Memorandum, unchanged from the *Initiation Notice*.³ For a summary of the product coverage comments and rebuttal responses submitted to the record for this final determination, and accompanying discussion and analysis of all comments timely received, *see* the Final Scope Memorandum.⁴ In the Final Scope Memorandum, Commerce determined that it is not modifying the scope language as it appeared in the *Initiation Notice*. *See* the scope in the appendix to this notice.

Verification

As stated in the *Preliminary Determination*, two of the mandatory respondents, Delandis Furniture (M) Sdn Bhd (Delandis) and Vision Foam Ind. Sdn Bhd. (Vision Foam), did not participate in the investigation and a third mandatory respondent, Far East Foam Industries Sdn Bhd (Far East Foam), discontinued its participation in the investigation.⁵ Accordingly, Commerce based the *Preliminary Determination* on total adverse facts available (AFA), and did not conduct verification under section 782(i) of the Tariff Act of 1930, as amended (the Act).

² *See* Memorandum, “Mattresses from Cambodia, Indonesia, Malaysia, Serbia, Thailand, the Republic of Turkey, the Socialist Republic of Vietnam, and the People’s Republic of China: Scope Comments Decision Memorandum for the Preliminary Determination,” dated October 27, 2020 (Preliminary Scope Decision Memorandum).

³ *See Mattresses from Cambodia, Indonesia, Malaysia, Serbia, Thailand, the Republic of Turkey, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations*, 85 FR 23002 (April 24, 2020) (*Initiation Notice*).

⁴ *See* Memorandum, “Mattresses from Cambodia, Indonesia, Malaysia, Serbia, Thailand, the Republic of Turkey, the Socialist Republic of Vietnam, and the People’s Republic of China: Final Scope Decision Memorandum,” dated concurrently with, and hereby adopted by, this notice (Final Scope Memorandum).

⁵ *See Preliminary Determination* PDM at 5-10.

Use of Adverse Facts Available

The mandatory respondents Delandis, Vision Foam, and Far East Foam failed to cooperate in this investigation.⁶ Therefore, in the *Preliminary Determination*, pursuant to sections 776(a)(1), 776(a)(2)(A)-(C), and 776(b) of the Act, we assigned to Delandis, Vision Foam and Far East Foam an estimated weighted-average dumping margin based on AFA. No parties filed comments concerning the *Preliminary Determination* with respect to these companies, and there is no new information on the record that would cause us to revisit the *Preliminary Determination*. Accordingly, we continue to find that the application of AFA pursuant to sections 776(a) and (b) of the Act is warranted with respect to Delandis, Vision Foam, and Far East Foam. In applying total AFA, we continue to determine an estimated weighted-average dumping margin for Delandis, Vision Foam, and Far East Foam of 42.92 percent, the highest dumping margin alleged in the Petition, which is the only dumping margin information on the record of this investigation,⁷ and which Commerce corroborated to the extent practicable within the meaning of section 776(c) of the Act.⁸ In applying total AFA, we continue to determine an estimated weighted-average dumping margin for Delandis, Vision Foam, and Far East Foam of 42.92 percent, the highest dumping margin alleged in the Petition, which is the only dumping margin information on the record of this investigation,⁹ and which Commerce corroborated to the extent practicable within the meaning of section 776(c) of the Act.¹⁰

⁶ *Id.*

⁷ See Petitioners' Letter, "Mattresses from Cambodia, China, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam: Antidumping and Countervailing Duty Petitions," dated March 31, 2020; *see also* Petitioners' Letter, "Mattresses from Cambodia, China, Indonesia, Malaysia, Serbia, Thailand, Turkey, and Vietnam: Responses to Petition Second Supplemental Questionnaires," dated April 13, 2020 (collectively, Petition). The petitioners are Brooklyn Bedding; Corsicana Mattress Company; Elite Comfort Solutions; Future Foam Inc.; FXI, Inc.; Innocor, Inc.; Kolcraft Enterprises Inc.; Leggett & Platt, Incorporated; the International Brotherhood of Teamsters; and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO (USW).

⁸ See *Preliminary Determination* PDM at 8-10.

⁹ See Petition.

¹⁰ See *Preliminary Determination* PDM at 8-10.

All-Others Rate

As discussed in the *Preliminary Determination*, Commerce based the estimated weighted-average dumping margin for all other producers and exporters on the only dumping margin alleged in the Petition,¹¹ in accordance with section 735(c)(5)(B) of the Act. We made no changes to this rate for this final determination.

Final Determination

The final estimated weighted-average dumping margins are as follows:

Exporter or Producer	Estimated Weighted-Average Dumping Margin (percent)
Delandis Furniture (M) Sdn Bhd	42.92
Far East Foam Industries Sdn Bhd	42.92
Vision Foam Ind. Sdn Bhd.	42.92
All Others	42.92

¹¹ See Petition; see also *Preliminary Determination*, 85 FR at 69574.

Disclosure

The estimated weighted-average dumping margins assigned to the mandatory respondents in this investigation in the *Preliminary Determination* are based on AFA. As these rates are based on information from the Petition, unchanged from the *Preliminary Determination*. Accordingly, there are no calculations to disclose for this final determination.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, for this final determination, we will direct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all entries of mattresses from Malaysia, as described in the Appendix to this notice, which are entered, or withdrawn from warehouse, for consumption on or after November 3, 2020, the date of publication in the *Federal Register* of the affirmative *Preliminary Determination*.

Pursuant to section 735(c)(1)(B)(ii) of the Act and 19 CFR 351.210(d), Commerce will instruct CBP to require a cash deposit for such entries of merchandise for estimated antidumping duties, as follows: (1) the cash deposit rate for the respondents listed above will be equal to the company-specific estimated weighted-average dumping margins determined in this final determination; (2) if the exporter is not a respondent identified above but the producer is, then the cash deposit rate will be equal to the company-specific estimated weighted-average dumping margin established for that producer of the subject merchandise; and (3) the cash deposit rate for all other producers and exporters will be equal to the estimated weighted-average dumping margin for all other producers and exporters.

These suspension-of-liquidation instructions will remain in effect until further notice.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the International Trade Commission (ITC) of the final affirmative determination of sales at LTFV. Because Commerce's final determination is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States

is materially injured, or threatened with material injury, by reason of imports or sales (or the likelihood of sales) for importation of mattresses from Malaysia, no later than 45 days after this final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation, as discussed above in the “Continuation of Suspension of Liquidation” section.

Notification Regarding Administrative Protective Orders

This notice will serve as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of propriety information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Date: March 18, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix

Scope of the Investigation

The products covered by this investigation are all types of youth and adult mattresses. The term “mattress” denotes an assembly of materials that at a minimum includes a “core,” which provides the main support system of the mattress, and may consist of innersprings, foam, other resilient filling, or a combination of these materials. Mattresses may also contain: (1) “upholstery,” the material between the core and the top panel of the ticking on a single-sided mattress; or between the core and the top and bottom panel of the ticking on a double-sided mattress; and/or (2) “ticking,” the outermost layer of fabric or other material (*e.g.*, vinyl) that encloses the core and any upholstery, also known as a cover.

The scope of this investigation is restricted to only “adult mattresses” and “youth mattresses.” “Adult mattresses” are frequently described as “twin,” “extra-long twin,” “full,” “queen,” “king,” or “California king” mattresses. “Youth mattresses” are typically described as “crib,” “toddler,” or “youth” mattresses. All adult and youth mattresses are included regardless of size and size description.

The scope encompasses all types of “innerspring mattresses,” “non-innerspring mattresses,” and “hybrid mattresses.” “Innerspring mattresses” contain innersprings, a series of metal springs joined together in sizes that correspond to the dimensions of mattresses. Mattresses that contain innersprings are referred to as “innerspring mattresses” or “hybrid mattresses.” “Hybrid mattresses” contain two or more support systems as the core, such as layers of both memory foam and innerspring units.

“Non-innerspring mattresses” are those that do not contain any innerspring units. They are generally produced from foams (*e.g.*, polyurethane, memory (viscoelastic), latex foam, gel-infused viscoelastic (gel foam), thermobonded polyester, polyethylene) or other resilient filling.

Mattresses covered by the scope of this investigation may be imported independently, as part of furniture or furniture mechanisms (*e.g.*, convertible sofa bed mattresses, sofa bed mattresses imported with sofa bed mechanisms, corner group mattresses, day-bed mattresses, roll-away bed mattresses, high risers, trundle bed mattresses, crib mattresses), or as part of a set in combination with a “mattress foundation.” “Mattress foundations” are any base or support for a mattress. Mattress foundations are commonly referred to as “foundations,” “boxsprings,” “platforms,” and/or “bases.” Bases can be static, foldable, or adjustable. Only the mattress is covered by the scope if imported as part of furniture, with furniture mechanisms, or as part of a set in combination with a mattress foundation.

Excluded from the scope of this investigation are “futon” mattresses. A “futon” is a bi-fold frame made of wood, metal, or plastic material, or any combination thereof, that functions as both seating furniture (such as a couch, love seat, or sofa) and a bed. A “futon mattress” is a tufted mattress, where the top covering is secured to the bottom with thread that goes completely through the mattress from the top through to the bottom, and it does not contain innersprings or foam. A futon mattress is both the bed and seating surface for the futon.

Also excluded from the scope are airbeds (including inflatable mattresses) and waterbeds, which consist of air- or liquid-filled bladders as the core or main support system of the mattress.

Also excluded is certain multifunctional furniture that is convertible from seating to sleeping, regardless of filler material or components, where that filler material or components are

upholstered, integrated into the design and construction of, and inseparable from, the furniture framing, and the outermost layer of the multifunctional furniture converts into the sleeping surface. Such furniture may, and without limitation, be commonly referred to as “convertible sofas,” “sofabeds,” “sofa chaise sleepers,” “futons,” “ottoman sleepers” or a like description.

Also excluded from the scope of this investigation are any products covered by the existing antidumping duty orders on uncovered innerspring units from China or Vietnam. *See Uncovered Innerspring Units from the People’s Republic of China: Notice of Antidumping Duty Order*, 74 FR 7661 (February 19, 2009); *Antidumping Duty Order: Uncovered Innerspring Units from the Socialist Republic of Vietnam*, 73 FR 75391 (December 11, 2008).

Also excluded from the scope of this investigation are bassinet pads with a nominal length of less than 39 inches, a nominal width less than 25 inches, and a nominal depth of less than 2 inches.

Additionally, also excluded from the scope of this investigation are “mattress toppers.” A “mattress topper” is a removable bedding accessory that supplements a mattress by providing an additional layer that is placed on top of a mattress. Excluded mattress toppers have a height of four inches or less.

The products subject to this investigation are currently properly classifiable under HTSUS subheadings: 9404.21.0010, 9404.21.0013, 9404.29.1005, 9404.29.1013, 9404.29.9085, and 9404.29.9087. Products subject to this investigation may also enter under HTSUS subheadings: 9404.21.0095, 9404.29.1095, 9404.29.9095, 9401.40.0000, and 9401.90.5081. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this investigation is dispositive.

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